



# ENERGY ASSURANCE DAILY

Wednesday Evening, June 22, 2016

## Electricity

### Storms, High Winds Knock Out Power to Over 107,000 Customers in Mid-Atlantic States June 21

A fast-moving storm producing high winds knocked out power to at least 107,537 customers in New Jersey, Maryland, Washington, DC, West Virginia, and Virginia on Tuesday afternoon. Wind gusts of up to 80 mph were reported. As of 3:30 p.m. EDT Wednesday, 12,255 customers remained without power. BGE, the hardest hit utility with 50,000 customer outages in Maryland, said it was making significant progress on repairs and expected full restoration by late Wednesday. Atlantic City Electric, which reported 36,000 customer outages in New Jersey, said its system in Cape May County was heavily damaged by high winds that brought down power lines and damaged utility poles and transformers. The utility said the vast majority of customers would have power restored by midnight and the remaining customers were expected to be restored by Thursday afternoon. The table below shows total affected customers and the latest reported outages by utility. The "Affected" column shows the total count of customers that lost power at one point or another over the course of the storm for each utility. These outages may not have occurred concurrently and are not the same as peak outages.

Mid-Atlantic Customer Power Outages June 21–22, 2016			
Electric Utility	State	Affected	Latest Reported
Pepco	DC/MD	2,500	129
BGE	MD	50,000	2,680
FirstEnergy	MD	3,700	203
Choptank Electric Cooperative	MD	1,355	0
Atlantic City Electric	NJ	36,000	7,273
FirstEnergy	NJ	5,014	525
Dominion	VA	6,700	826
AEP Appalachian Power	VA/WV	2,268	619
<b>TOTAL*</b>		<b>107,537</b>	<b>12,255</b>

\*Total outages represent only electric utilities listed in this table.

Sources:

<http://www.pepco.com/pages/connectwithus/outages/OutageMaps.aspx>

<http://outagemap.bge.com/>

<https://twitter.com/@potomacedison>

<http://choptank.maps.sienatech.com/>

<https://www.facebook.com/choptankcoop?ref=hl>

<http://www.atlanticcityelectric.com/pages/connectwithus/outages/outagemaps.aspx>

<http://www.atlanticcityelectric.com/library/templates/interior.aspx?pageid=1106&id=6442459650>

<http://outages.firstenergycorp.com/nj.html>

<http://outagemap.dom.com.s3-website-us-east-1.amazonaws.com/external/report.html?report=report-panel-county-muni>

<https://www.appalachianpower.com/outages/outageMap.aspx>

[https://www.washingtonpost.com/local/trafficandcommuting/fierce-storms-cause-delays-at-washington-area-airports/2016/06/21/709e8a04-37d9-11e6-8f7c-d4c723a2becb\\_story.html](https://www.washingtonpost.com/local/trafficandcommuting/fierce-storms-cause-delays-at-washington-area-airports/2016/06/21/709e8a04-37d9-11e6-8f7c-d4c723a2becb_story.html)

<http://philadelphia.cbslocal.com/2016/06/21/severe-weather-impacting-residents-at-the-jersey-shore/>

<http://patch.com/maryland/columbia/more-22-000-without-power-howard-county-bge>

<http://www.wbal.com/article/172092/2/tornado-confirmed-in-howard-county>

## **Update: Over 5,000 Customers Remain Without Power in Quebec, Ontario June 22 after Storms, Strong Winds Hit June 20**

Severe storms and high winds knocked out power to 290,246 Hydro Quebec customers in Quebec and 58,869 Hydro One customers Ontario on Monday. As of 3:30 p.m. EDT Wednesday, 4,889 Hydro Quebec customers and 257 Hydro One customers remain without power. Hydro Quebec reported the strong winds shattered poles, and in many places, fallen trees or branches brought down power lines. The utility said repair work would likely continue for a few days.

<https://twitter.com/hydroquebec>

<http://pannes.hydroquebec.com/pannes/bilan-interruptions-service/#map>

<http://nouvelles.hydroquebec.com/en/failures/hq/130/outages-in-several-regions-of-quebec-hydro-quebec-crews/>

<http://www.hydroone.com/StormCenter3/>

[https://twitter.com/HydroOne?ref\\_src=twsrc%5Egoogle%7Ctwcamp%5Eserp%7Ctwgr%5Eauthor](https://twitter.com/HydroOne?ref_src=twsrc%5Egoogle%7Ctwcamp%5Eserp%7Ctwgr%5Eauthor)

<http://www.cjad.com/cjad-news-quebec-beyond/2016/06/21/strong-winds-and-downed-trees-knockout-power-to-hundreds-of-thousands>

## **Southern California Heat Wave Strains Electrical Systems, Causes Over 12,000 SCE, LADWP Customer Outages June 21**

An extreme heat wave continued to blanket Southern California on Tuesday, straining the region's electrical systems and knocking out power to about 6,800 Southern California Edison (SCE) customers and 5,500 Los Angeles Department of Water and Power (LADWP) customers. SCE said it was rotating crews on Tuesday, which were focusing on restoring electric service to customers who had experienced the service interruptions during the heatwave. LADWP said that Monday's peak demand, 6,080 MW, was more than 50 percent higher than energy demand on a usual June day. It was also the highest demand on the grid in June since 2008, the utility said. LADWP said it has been preparing for the heat wave by obtaining a variance from the South Coast Air Quality Management District to use diesel fuel up to 14 times. Diesel produces more pollution in the atmosphere than natural gas, but natural gas is in limited supply due to a moratorium on injecting natural gas in the wells at the Aliso Canyon facility following a leak earlier this year, LADWP officials said.

<http://insideedison.com/stories/sce-crews-are-working-around-the-clock-to-restore-power>

<https://www.ladwp.com/ladwp/faces/header/outageinformation>

<http://www.ladwpnews.com/go/doc/1475/2857086/>

<http://www.latimes.com/local/lanow/la-me-ln-power-outage-los-angeles-heat-wave-20160621-snap-story.html>

## **San Gabriel Complex Fire Threatens Three 220 kV Transmission Lines near Los Angeles, California June 21**

The Reservoir and Fish fires, now dubbed the San Gabriel Complex Fire, broke out on the morning of June 20 in the Angeles National Forest northeast of Los Angeles and are both 10 percent contained, according to the U.S. Forest Service. As of 10:00 am PDT, the fires were approximately 4,900 acres in size and mandatory evacuation orders remained in effect for the city of Duarte. The fires left about 300 Southern California Edison (SCE) customers without power on Tuesday and crews restored at least 200 customers by Tuesday evening, but unsafe conditions were limiting crew access to make repairs. The utility said the fires directly threaten SCE transmission and distribution lines and that SCE was working with state officials on impacts to transmission lines and mitigation. According to a FEMA spokeswoman, the fires were threatening three sets of 220 kV power transmission lines and officials at the California Independent System Operator (CAISO) were also monitoring the situation. Some SCE transmission lines were down and a few Los Angeles Department of Water and Power lines were being threatened, but there was no threat to grid reliability at this time, the spokeswoman added.

<http://inciweb.nwcg.gov/incident/4801/>

<http://calfireinformation.weebly.com/>

<http://patch.com/california/monrovia/more-residents-warned-possible-evacuations-san-gabriel-complex-fire>

## **SDG&E Responds to Border 3 Fire, Crews Assessing Damage near Potrero, California**

**June 21**

San Diego Gas and Electric (SDG&E) said on Tuesday that crews were assessing damage in response to the Border 3 Fire in eastern San Diego County, just north of the Mexican border. The Border 3 Fire broke out at about 11:00 am PDT, June 19 in Potrero, California and burned along a portion of SDG&E's electric distribution system, which resulted in an outage to several hundred customers on Tuesday. Once the area was deemed safe by CAL FIRE, SDG&E's crews began replacing some of the fire-damaged power poles. Other areas will be assessed once crews can safely access the area. Additionally, SDG&E deployed its mobile command center to the area designed to connect SDG&E crews and emergency responders with satellite communications and internet. As of 3:30 pm EDT, June 22, the fire was approximately 6,500 acres in size, and 15 percent contained. According to SDG&E's outage map, 43 customers were without power near the Border 3 Fire area.

<http://www.sdge.com/newsroom/2016-06-21/sdge-responds-border-fire>

<http://calfireinformation.weebly.com/>

## **Update: California's Sherpa Wildfire 89 Percent Contained June 22; Full Containment Expected near Santa Barbara, California June 23**

Firefighters on Wednesday reported the Sherpa wildfire in Santa Barbara County, California was 89 percent contained at just under 8,000 acres, and full containment was expected by Thursday. The cause of the fire, which started one week ago, is still under investigation. About 19 Southern California Edison customers in the El Capitan Canyon area were without power Tuesday due to downed power lines from the fire, officials said. On June 15, ExxonMobil Corp evacuated non-essential personnel from its Las Flores Canyon facility in Santa Barbara County, California in response to the wildfire.

<http://www.vcstar.com/news/local/sherpa-fire-70-percent-contained-at-nearly-8000-acres-35ca6f81-318e-1666-e053-0100007f662e-383796951.html>

<http://calfireinformation.weebly.com/>

## **Entergy's 653 MW Pilgrim Nuclear Unit 1 in Massachusetts Reduced to 74 Percent by June 22**

On the morning of June 21 the unit was operating at full power.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2016/>

## **APS's 1,243 MW Palo Verde Nuclear Unit 1 in Arizona Reduced to 83 Percent by June 22**

On the morning of June 21 the unit was operating at full power.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2016/>

## **Dominion Begins Construction on 1,588 MW Greenville County Power Station in Virginia June 21**

Dominion Virginia Power on Tuesday announced it has begun construction on its Greenville County Power Station, immediately after the Virginia Air Pollution Control Board approved the station's air permit. The air permit issued on June 17 was the last regulatory hurdle the station had to clear before it could start construction. The Greenville station is expected to begin operating by 2019.

<https://www.dom.com/residential/dominion-virginia-power/news/news-releases/137140>

## **Exelon Notifies NRC of Plans to Retire Its 1,138 MW Clinton, 2,018 MW Quad Cities Power Stations in Illinois**

Exelon Generation earlier this week formally notified the Nuclear Regulatory Commission (NRC) of plans to retire its Clinton Power Station in Clinton, Illinois, on June 1, 2017, and Quad Cities Generating Station in Cordova, Illinois, on June 1, 2018. This marks the first of several procedural notifications Exelon will make in the coming months to inform regulators, grid operators, and state agencies of the plant retirements. Exelon announced plans to close the plants earlier in June, given the lack of progress on Illinois energy legislation.

<http://www.exeloncorp.com/newsroom/nrc-retirement-notification-of-quad-cities-and-clinton>

### **Update: Power, Gas Shortages Raise Concerns for Southern California Refiners June 22**

Refiners in Southern California are bracing for potential disruptions ahead of possible blackouts this summer after the closure of Southern California Gas Co.'s (SoCalGas) 86 Bcf Aliso Canyon natural gas storage facility prompted state regulators to warn of power and gas shortages. Southern California has more than 1 million b/d of refining capacity and supplies the majority of transportation fuels for the state. The six major refineries operating in the region require vast amounts of natural gas and electricity delivered on a consistent basis to run smoothly and any stoppages at the refineries would likely cause gasoline prices to rise in California. Refiners are exempt from rotating power outages by the California Public Utilities Commission (CPUC) but they could still face power disruptions if natural gas shortages are severe enough, a senior fuels specialist with the California Energy Commission (CEC) said. The Western States Petroleum Association (WSPA) said its facilities are designed to run at a steady-state—not ramp up and down sporadically. Refineries made up 11 percent of natural gas end-use customers in 2015 for SoCalGas, the primary provider of natural gas to Southern California, according to the CEC. These facilities use gas to fuel cogeneration power plants that produce electricity and steam. In 2015, 45.2 percent of all natural gas used by Southern California refineries went to cogeneration, while the remainder was used for hydrogen production, heaters and boilers. Modifying fuel use could collectively cut natural gas demand from Southern California refineries by 15 to 18 percent, the CEC estimates. These steps may include increased consumption of propane and butane—liquefied petroleum gases (LPG) produced at the refinery that are commonly sold as separate products. These gases can be vaporized and used as fuel by some refiners. Refiners can also modify use of still gas, to fuel operations related to heating and boiling. Tesoro Corp, which operates two refineries in the region, said its 400 MW Watson cogeneration facility at its Los Angeles refinery utilizes natural gas to produce steam to operate the refinery. A spokesman for the company declined to comment further on potential blackouts. ExxonMobil and Chevron, which operate facilities in the region, did not immediately respond to requests for comment, while Valero Energy and Phillips 66, also operators of Southern California refineries, declined to comment.

Reuters, 1:00 June 22, 2016

### **Update: FCCU Nearing Full Production Levels at Total's 225,000 b/d Port Arthur, Texas Refinery June 22 – Sources**

The fluidic catalytic cracking unit (FCCU) at Total SA's Port Arthur, Texas refinery was nearing full production levels on Wednesday morning, sources familiar with plant operations said. Total began restoring production on the 76,000 b/d FCCU on Tuesday afternoon, one day after production was stopped due to a malfunction on the unit's blower.

Reuters, 10:14 June 22, 2016

### **Update: Chevron Reports FCCU Shut at Its 269,000 b/d El Segundo, California Refinery June 21**

Chevron Corp reported a plant upset that shutdown the fluid catalytic cracking unit (FCCU) and resulted in a flaring event at its El Segundo, California refinery. On Tuesday, Chevron reported the release was still ongoing but estimated that it would soon be stopped, according to a filing with the California Emergency Management Agency. On Monday, the refinery reported unplanned flaring and a breakdown.

Reuters, 16:43 June 21, 2016

### **Shell Says Operations Normal at Its 156,400 b/d Martinez, California Refinery June 21 after Shutdown June 20**

Royal Dutch Shell said operations were normal at its Martinez, California refinery on Tuesday after a reported plant shutdown on Monday, according to a filing with Contra Costa Health Services. Shell did not identify the unit involved and it was not clear if the entire plant or a portion of the plant was shut.

Reuters, 14:43 June 21, 2016

Reuters, 13:52 June 22, 2016

## **Green Plains, Jefferson Terminal Logistics to Construct Intermodal Export-Import Fuels Terminal in Texas June 14**

Green Plains Inc. and Jefferson Gulf Coast Energy Partners, a subsidiary of Fortress Transportation and Infrastructure Investors, on June 14 announced that they have formed a joint venture to construct and operate an intermodal export and import fuels terminal at Jefferson's existing Beaumont, Texas terminal. The joint venture's terminal will have direct access to multiple transportation options including Aframax vessels, inland and coastwise barges, trucks, and unit trains with direct mainline service from the Union Pacific, BNSF and KCS railroads. Phase I development will leverage existing infrastructure at the Jefferson terminal in Beaumont, and is expected to include approximately 500,000 barrels of storage with expansion potential of up to 1 million barrels. Construction of Phase I is expected to take approximately nine months with completion projected in the second quarter of 2017.

<http://investor.gpreinc.com/releasedetail.cfm?ReleaseID=975746>

## **North Atlantic Refining's 115,000 b/d Come By Chance, Newfoundland Refinery to Set up Crude Desk before BP Contract Expires – Sources**

A team of former Wall Street oil traders who own the Come By Chance refinery in Newfoundland are forming their own crude supply desk ahead of the expiration of their contract with BP Plc, according to two sources familiar with the plant's operations. The small commercial desk at the refinery will rely largely on the spot crude market, but will also sign term deals, the two sources said. The refinery is operated by North Atlantic Refining LLC (NARL), which is backed by private equity firm Silverpeak Partners. Since buying the refinery in late 2014, the team of traders has shifted from a supply of largely Iraqi crude to a more diverse array that includes U.S. shale oil, West African crudes and oil pulled from nearby offshore fields, such as Hibernian grade. The sources said the Hibernian grade crude oil will likely be a mainstay and the new commercial desk will look to sell more products into eastern Canada. The shift to a merchant refiner model from having all crude supplied by a third party, in this case, BP, follows two years under that contract that culminated in lawsuits filed last year.

Reuters, 13:34 June 22, 2016

## **U.S. Adds 34 Million Barrels of Crude Oil Storage Capacity from September 2015 to March 2016; Most Since 2011 – EIA**

The U.S. added 34 million barrels of crude oil storage capacity from September 2015 to March 2016, the largest expansion since the Energy Information Administration (EIA) began tracking the data in 2011, it said on Wednesday. Capacity has grown as oil inventories in the U.S. increased over the last two years as a result of a massive surplus. The largest oil storage capacity expansions since September were in the Midwest and Gulf Coast regions, which added 19 million barrels and 13 million barrels, respectively, according to the EIA. Storage capacity at Cushing, Oklahoma expanded 1.5 million barrels.

Reuters, 10:57 June 22, 2016

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## ***Natural Gas***

### **Regency Reports Power Outage, AGI Compressor Shut at Its 290 MMcf/d Waha Gas Plant in Texas June 21**

Regency reported a third party power outage caused the acid gas injector (AGI) compressor to shut. Once power was restored, the AGI compressor was reset and restarted and the plant was lines out.

<http://www2.tceq.texas.gov/oce/eei/index.cfm?fuseaction=main.getDetails&target=236056>

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## ***Other News***

Nothing to report.

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## ***International News***

Nothing to report.

## Energy Prices

U.S. Oil and Gas Prices			
June 22, 2016			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	49.11	47.87	59.33
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	2.76	2.52	2.81

Source: Reuters

## Links

***This Week in Petroleum*** from the U.S. Energy Information Administration (EIA)

<http://www.eia.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

***Weekly Petroleum Status Report*** from EIA

[http://www.eia.gov/oil\\_gas/petroleum/data\\_publications/weekly\\_petroleum\\_status\\_report/wpsr.html](http://www.eia.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html)

Updated after 10:30 AM & 1:00 PM ET every Wednesday.

***Natural Gas Weekly Update*** from EIA

<http://www.eia.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM ET every Thursday.

### ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/ead.aspx>

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